California
Department of
Education

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of Public Instruction

Workforce Investment Act

Policy Issues and Opportunities for Education



A report on the educational policy issues and recommendations related to the implementation of the Workforce Investment Act.

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Workforce Investment Act

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Workforce Investment Act

Policy Issues and Opportunities for Education

Executive Summary

With the passage of the Workforce Investment Act (WIA), and transition to a new state administration, a unique opportunity exists for California Department of Education to exert primary leadership influence in shaping the workforce development system. The Act is complex with five Titles including youth and adult employment-training services, Adult Education and Family Literacy, One-Stop Career Center service delivery, Rehabilitation services, and general provisions. The Act proposes no significant structural changes, but makes many programmatic and technical changes. A variety of fundamental policy decisions regarding implementation of Workforce Investment Act will determine the extent to which education and employment-training systems are integrated to assist youth and adults in reaching education and employment goals. It is clearly within the California Department of Education's vital interests to maintain and expand involvement, capacity, and leadership in this critical area.

Several major opportunities and challenges are presented in the federal law. In developing policy recommendations relative to education's role and interests in the Workforce Investment Act, a set of guiding principles was established. Those principles provide the foundation for the major policy objectives important for education to pursue and accomplish though the legislative and implementation processes.

Principles

- Role of K-12 Education The K-12 education system must have a primary role in the delivery of youth and adult education and employment and training activities at the state and local levels.
- Youth Activities Youth activities can only achieve the education and training outcomes required by the Act if the youth activities are critically linked to local education systems.
- Student Preparation All students must be prepared with the knowledge, skills, and abilities to compete in the global economy, to be adaptable to accelerating changes in the workplace, and to engage in lifelong learning.

- Prevention Prevention and development strategies for at-risk youth must be emphasized over the development of additional remediation programs that respond after the student has failed.
- Integration Future Workforce Investment Act services will be more effective when integrated with existing successful public education programs such as ROCPs, adult education, alternative education, court and community schools.
- Accountability Performance and accountability measures must supplement the existing standards, assessment and accountability efforts of education to ensure higher student outcomes and facilitate continuous quality improvement of programs and services.
- Strategic Planning All critical stakeholders must engage in strategic planning to create coordination and linkages among the education and training systems and categorical programs.
- Categorical Programs The categorical programs under the Workforce Investment Act activities must supplement, not supplant California's workforce development system.
- Universal Access All Californians should be provided universal access to education and workforce preparation information, services, and resources.

The major priority policy objectives for education include:

- Designating the California Department of Education as the lead agency, for administration of the leadership, fiscal, accountability, and programmatic aspects of the Youth Activities.
- Ensuring that Youth Activities are designed and promoted to ensure integration with local education agencies, to assist youth in achieving academic, social, and employment success.
- Maintaining authority over the Adult Education and Family Literacy Act, and implementing the act to more effectively and efficiently meet locally defined literacy needs.
- Ensuring performance accountability indicators and measures promote high participant outcomes, program evaluation and improvement, and complement existing education efforts regarding standards, assessment and accountability.
- Completion and Adoption of the Integrated State Workforce Development Plan required by the Regional Workforce Preparation and Economic Development Act, as California's workforce development policy framework, within which, the Workforce Investment Act funding supports the larger workforce development system.

- Require the California Departments of Education and Rehabilitation to jointly administer cooperative programs for disabled secondary students among, including the Transition Partnership and Workability II programs.
- Ensuring that governance structures at the state and local level include significant educational representation, and are designed to promote collaboration and integrated service delivery.
- Designation of the County Superintendents of Schools as a Local Chief Elected Official, with specific local area responsibilities for appointing educational representatives to Local Workforce Investment Boards, and Youth Councils.
- Continuation of the capacity to provide coordination and linkages between education and employment training through replacement of the 8% set-aside funds for California Department of Education state operations and local assistance.

Among the other important policy objectives for education are:

- Requiring One-Stop Career Center services to include education representation, that will
 ensure full and equal partnership in providing youth and adult services, provide universal
 access, furnish appropriate resources, and be available electronically in every school in
 California.
- Providing adequate funding resources to ensure the development of effective performance accountability data and information systems and infrastructure.
- Specifying, for the purposes of the Workforce Investment Act, that Adult Education and Regional Occupational Centers and Programs qualify as postsecondary vocational education entities, to receive initial provider eligibility, and are mandatory members of One-Stop Career Centers.
- Supporting an independent State Workforce Investment Board to more fully represent and act on behalf of the entire system, rather than on the narrowly defined needs of employment-training programs.
- Require that state and local Workforce Investment Act plans address educational priorities, and that the planning processes include substantial educational representation.

The K-12 Education System Role:

For California to achieve the vision of a sustainable economy and provide high-quality lifestyles for its citizenry, the focus must first be on its youth. Without a strong academic foundation, it is impossible to build the high skills California's workforce will need for the future. The K-12 education system, supplemented with the Workforce

Investment Act funding provided for youth activities, provides the best opportunity and means for focusing on the academic foundation and building the career and employment skills needed for youth to become productive adults.

The public investment of over \$35 billion in the California K-12 education system represents the single largest system designed to build the knowledge, skills, and abilities to assist individuals to reach productive self-sufficient lives. When the resources devoted to Adult Education, Regional Occupational Centers and Programs, the California Community Colleges, California State Universities, and University of California are added, education's investment expands to over \$43 billion. The services and funding provided under the Workforce Investment Act supplement these larger state funded education systems. While the argument can be made that education has other important purposes, it is clear that the education systems are the primary means of preparing individuals for productive futures and must take a leadership role in the process. That leadership can help to design a system aimed at not only developing California's economy, but also at improving the quality of life of our citizenry.

With the transition from the post World War II industrial based economy, to the new information, knowledge, and technology based economy, it will be crucial that all workforce development efforts are coordinated and integrated to help ensure all Californian's are prepared with the high skills necessary to compete in the global economy. To that end, the state is developing the Integrated State Workforce Development Plan as California's workforce development policy framework. This plan will provide a vision of California's future and specific workforce development policy goals to guide efforts in preparing a highly skilled workforce. Included among the overall policy directions in the public review draft are, universal access for all Californians, collaboration and partnerships to support regional economies, substantial private sector involvement, simplified integrated planning, effective use of all resources, strategic investment, and increased accountability. Adoption of the Integrated State Workforce Development Plan will ensure California's unique workforce policy goals are foremost, with the Workforce Investment Act safety net programs and resources supplementing and enhancing California's education and training systems.

The Report:

The full report titled, *Workforce Investment Act, Policy Issues and Opportunities for Education*, offers more detailed recommendations, implementation actions and options, and background information. These components help to build understanding of the issues, and provide background in making education oriented policy decisions, as California implements the Workforce Investment Act.

Workforce Investment Act

Policy Issues and Opportunities for Education

Introduction

Recent passage of the federal Workforce Investment Act will make significant changes over the next two years to several of the major education and employment-training systems within California. The impact of this new law will be widely experienced throughout key state and local agencies and programs, and have substantial effect on the California Department of Education, county offices of education, and local school districts. Due to the wide scope of the proposed changes, state policy makers have already expressed substantial interest in the Workforce Investment Act. Implementation of this Act is expected to become one of the major public policy issues before the legislature when it convenes in January. There are large amounts of funding at stake, and many options are available to the new governor and legislature. The decisions that emerge will affect all aspects of the workforce preparation system, and will have serious implications for local education agencies, as well as the California Department of Education.

With the passage of the Act and transition to a new state administration, a unique opportunity exists for the California Department of Education to exert primary leadership influence in shaping the workforce development system. The public investment of over \$35 billion in the K-12 education system represents the single largest system designed to build the knowledge, skills, and abilities to assist individuals to reach productive self-sufficient lives. When the resources devoted to Adult Education, Regional Occupational Centers/Programs, the California Community Colleges, California State Universities, and University of California are added, education investment expands to over \$43 billion. While education has other important purposes, it is clear that the education systems are the primary means of preparing individuals for productive futures and must take a leadership role in the process. That leadership can help to design a system aimed at not only developing California's economy, but also at improving the quality of life of our citizenry.

The California Department of Education will be specifically, and significantly, affected by the Act. Program areas that are involved include the Job Training Partnership Act (JTPA), Adult Education, Special Education, Educational Options, Carl D. Perkins Vocational Education and Applied Technology Education Act

programs, and programs involved with CalWORKs. It is important that the California Department of Education has clearly defined principles and policy positions regarding the implementation of the Workforce Investment Act, relative to those programs. It is also critical that the Department has a coordinated approach to the Workforce Investment Act throughout the administrative transition, legislative, and implementation processes that occur over the next two years.

At the direction of the Superintendent of Public Instruction, a department-wide coordinating committee was established to consider the implications of the Workforce Investment Act, define the issues, and propose recommendations. This report was developed through a collaborative process, and offers principles, recommendations, and options on both broad policy areas and specific important details.

Highlights of the Workforce Investment Act

The recent passage of the federal Workforce Investment Act proposes substantial changes in the state's overall system. Among the major changes are:

- Deletion of the JTPA 8% funding set-aside that has been administered under the authority of the Superintendent of Public Instruction. The total 8% funding currently amounts to approximately \$19 million. Eighty percent of the funding is used to support School to Career work-based learning and welfare to work training programs. The remainder of the funding provides \$2 million for administration and state projects, \$620,000 for the California Community Colleges administration.
- Inclusion of the Adult Education and Family Literacy funding within the Act. Several major changes are involved in this section, including the competitive contracting of grants to local providers, expansion of local options to provide Family Literacy services, workplace education, development of student performance measures, GED training, and a decrease in the overall administration and leadership funds.
- Prohibition of any Workforce Investment Act dollars to support School to Work activities.
- Establishment of a State-level Workforce Investment Board under the direction of the Governor to develop a state plan, develop recommendations and provide policy oversight, and facilitate the coordination among the various segments of the employment and training system. This is similar to the current State Job Training Coordinating Council (SJTCC), but with expanded coordination responsibilities, and higher-level business representation.

- Creation of a single youth program, and ending both the JTPA Summer Youth Employment Training Program and Title IIC year-round youth program administered by the Employment Development Department (EDD).
- Reduction in the amounts of funding that can be used for administration or statewide leadership functions.
- Designation and expansion of One-Stop Career Centers as the primary delivery system for adult services at the local level. The Workforce Investment Act provides for inclusion of adult education and Carl Perkins postsecondary programs as mandatory One-Stop partners.
- Establishment of Individual Training Accounts to provide vouchers for adults to choose the certified training provider of their choice.
- Requirement for performance evaluation with specific measures for all Titles within the Act, and require substantial changes to the data collection and reporting systems at state, county and local levels.
- Restructuring of the federal vocational rehabilitation funding. Significant changes include the requirement for an Order of Selection to serve the most in need, and referral by name of unserved disabled individuals to other federal and state programs.
- A transition period through June 2000 is provided, with the exception that the Adult Education transition plan must be submitted by April, 1999, one full year before the enactment of the other portions of the Act.
- While the Act makes no major structural changes to the current funding systems, numerous other programmatic, administrative, and technical changes are made.

Workforce Investment Act of 1998

Title I, Workforce Investment Systems, provides for the establishment of state workforce investment boards, local workforce investment areas and boards, a One-Stop delivery system for state and local workforce investment, youth activities, and adult and dislocated worker employment and training activities.

Title II, Adult Education and Literacy, cited as the "Adult Education and Family Literacy Act", provides for services to assist adults to become employable, become full partners in the educational development of their children, and assist in the completion of a secondary school education.

Title III, Workforce Investment-Related Activities, amends the Wagner-Peyser Act, provides linkages to the Trade act of 1974, the Veterans employment programs and the Older Americans Act of 1965, and creates a Twenty-First Century Workforce Commission which will conduct a study of the information and technology based workforce in the United States.

Title IV, Rehabilitation Act Amendments of 1998, amends the Rehabilitation Act of 1973 by inserting new language that states, "to create linkage between State vocational rehabilitation programs and workforce investment activities carried out under Title I of the Workforce Investment Act of 1998, to establish special responsibilities for the Secretary of Education to coordinate all activities with respect to individuals with disabilities within and across programs administered by the Federal Government, and for other purposes.

Title V, General Provisions, include definitions for performance levels, incentives for meeting the performance levels, submission of a unified plan, and provision and transition program provisions.

Recent Welfare-to-Work Legislation

- > 1982- Job Training Partnership Act (JTPA) replaces Comprehensive Employment Training Act (CETA)
- 1988- Family Support Act creates JOBS programs, Greater Avenues for Independence (GAIN) in California
- > 1992- JTPA is amended
- 1996- Personal Responsibility Act replaces JOBS, Temporary Aid to Needy Families (TANF) replaces AFDC.
- 1997- AB 1542 creates the California Work Opportunity and Responsibility for Kids (CalWORKs) program to replace GAIN and includes the Regional Workforce Preparation and Economic Development Act
- 1998- The Senate and the House passed the Workforce Investment Act (THE WORKFORCE INVESTMENT ACT) of 1998 on July 31, 1998. The President signed the Act into law on August 7, 1998

Principles:

Several fundamental principles provide the basis of the recommendations and implementation actions relative to education's role in implementing the Workforce Investment Act. These principles provide a consistent frame of reference throughout this policy paper, and can help to guide future actions and decisions in implementing the Act.

- Role of K-12 Education The K-12 education system must have a primary
 role in the delivery of youth and adult education and employment and training
 activities at the state and local levels.
- Youth Activities Youth activities can only achieve the education and training outcomes required by the Act if the youth activities are critically linked to local education systems.
- **Student Preparation** All students must be prepared with the knowledge, skills, and abilities to compete in the global economy, to be adaptable to accelerating changes in the workplace, and to engage in lifelong learning.
- Accountability Performance and accountability measures must supplement the existing standards, assessment and accountability efforts of education to ensure higher student outcomes and facilitate continuous quality improvement of programs and services.
- Prevention Prevention and development strategies for at-risk youth must be emphasized over the development of additional remediation programs that respond after the student has failed.
- Integration Future Workforce Investment Act services will be more effective when integrated with existing successful public education programs such as ROCPs, adult education, alternative education, court and community schools.
- Strategic Planning All critical stakeholders must engage in strategic
 planning to create coordination and linkages among the education and training
 systems and categorical programs.
- Categorical Programs The categorical programs under the Workforce Investment Act activities must supplement, not supplant California's workforce development system.
- Universal Access All Californians should be provided universal access to education and workforce preparation information, services, and resources.

Governance

Topic: State Workforce Investment Board

The State Workforce Investment Board will be the major oversight body for Titles I and III of the Workforce Investment Act. The Act provides the governor with discretion in appointing a new Board or transitioning the existing State Job Training Coordinating Council (SJTCC). Mandatory members are designated in the Act, which includes the lead education agency with responsibility for Adult Education. The governor and legislature have the option to broaden the membership of the Board beyond the federal requirements to ensure California's needs are met.

Issue: The structure and responsibilities delegated to the State Workforce Investment Board for planning, policy decision making, and the administration of funds, will impact education It is crucial that substantial education representation be included.

Policy Recommendations:

- Designate the Superintendent of Public Instruction as a statutory member of the State Workforce Investment Board, with delegation capacity.
- Expand educational representation on the Board to include one member each from high school, Adult Education and Regional Occupational Centers/Programs.
- Support higher education leadership representation from the California Community Colleges, California State Universities, and University of California.
- Strongly encourage that the State Workforce Investment Board be an independent body, focusing on oversight of Titles I and III of the Act, and making related policy recommendations to the Governor.
- Strongly encourage the appointment of private sector members to the Board who are independent and have no direct or indirect financial interest in the Workforce Investment Act funding.
- Ensure that the responsibilities and structure of the State Workforce Investment
 Board are designed to not only meet the minimum requirements of the Act, but
 to also facilitate the development of systems that support the success of
 California's broader workforce development policy goals, as specified in the
 California Integrated Workforce Development Plan.

 Encourage diversity and equity through the appointment of Board members who represent the demographic characteristics and needs of California's population.

Implementation Actions and Options:

- Support legislation or administrative action to ensure that the Superintendent of Public Instruction is designated as a statutory member of the State Workforce Investment Board, and to achieve other membership objectives.
- Support administrative or legislative designation of the State Workforce Investment Board to continue as an independent body under the Governor's Office, with a majority of independent private sector members representative of the diversity of California's population and changing economy.
- Encourage appointment of labor, apprenticeship, and economic development representatives to the State Workforce Investment Board.
- Adopt operational criteria and policies that ensure accountability, while supporting local planning, decision making, and flexibility in providing programs and services, with a minimum of regulation.

Background:

The current equivalent to a State Workforce Investment Board is the State Job Training Coordinating Council (SJTCC). The SJTCC is the Governor's advisory body for California's workforce preparation system funded through the Job Training Partnership Act (JTPA). The workforce preparation system serves low-income individuals and families or dislocated workers who need assistance to move toward economic self-sufficiency. Established by the JTPA in 1982, the SJTCC provides a public forum for issues and policy related to workforce preparation.

All recommendations of the SJTCC are subject to approval by the Governor. It also promotes the coordination of various state and federal employment and training programs and resources throughout the state. As special needs arise, the Council establishes subcommittees that are able to respond specific workforce preparation issues. Currently, there is one ongoing standing committee, Oversight and Coordination, and three special committees, Capacity Building, Career Competencies, and Performance Based Accountability.

The SJTCC does not operate programs but is responsible for policy, guidance, and oversight of the JTPA system, such as:

- Coordinating with the Job Training Partnership Division of the Employment Development Department to develop the biennial Governor's Coordination and Special Services Plan (GCSSP):
- Certifying Service Delivery Area Job Training Plans (so that they are consistent with the GCSSP);
- Identifying the employment, training and vocational education needs of the state:
- Reviewing plans of State agencies providing employment, training, and related services. Provide comments on their effectiveness and consistency with GCSSP.

The Workforce Investment Act provides the opportunity to create a State Workforce Investment Board that is more representative of California's workforce development system than is currently the case with the SJTCC. Although the State Job Training Coordinating Council is meant to be an independent agency, by locating the SJTCC within the Employment Development Department (EDD), and relying on staff from EDD, reality and perception limits its policy view to simply employment preparation. This limited view serves the needs of EDD and their constituents, but often has not considered or met the needs of the larger workforce development system. Therefore, education's interests have usually been relegated to secondary importance. This situation is further exacerbated by the SJTCC membership. These appointments include Service Delivery Area representatives, or private sector appointments who have primary program responsibilities, or some financial interest in JTPA. Due these inherent structural problems, continuing the direct EDD administrative relationship with SJTCC, and appointing members with programs and fiscal interests in the funding, the governance structure must be changed to improve the system.

Workforce development must include education and economic development activities, as well as employment preparation. This new perspective is broader than that of any one state agency.

An independent Workforce Investment Board provides the means to view employment preparation activities in relation to the broader education (K-12, Community College, CSU, UC and private postsecondary) systems as well as the emerging efforts of the economic development system. To meet the needs of all segments, the State Workforce Investment Board should be given independent agency status, responsible to the governor. Agency status is strategically advantageous, as it will provide an independent forum to facilitate collaboration and partnership. Agency status also communicates that the State Workforce Investment Board is engaged in promoting economic development, rather than assigned to the Health and Welfare Agency as a welfare-type program.

Expanding the membership of the State Workforce Investment Board beyond the members called for in the Workforce Investment Act, will lead to a board better able to understand the breadth of issues inherent in a comprehensive workforce development system. Substantial educational representation will assure a stronger connection between the K-16 educational system, workforce preparation, and economic development.

Topic: State Workforce Development Policy

With the passage of California's Regional Workforce Preparation and Economic Development Act of 1997, the major segments of the workforce development system have collaborated on the development of the Integrated State Workforce Development Plan. This comprehensive plan is designed to provide a vision of California's future and the broad policy framework necessary for California to develop the highly educated, high-skilled workforce necessary for success in the new economy.

The Public Review Draft of the Integrated State Workforce Development Plan has been disseminated, and will undergo broad public review through March of 1999. The public review, necessary revisions, and subsequent approval processes will create a broad policy framework, which articulates the vision, policy goals, and implementation strategies for improving and sustaining California's economy.

California invests nearly \$50 billion in education and training to prepare all Californians to achieve productive futures. The funding provided by the Workforce Investment Act represents approximately \$1 billion of that amount, largely designated to second chance opportunities and safety net programs. Therefore, the education systems provide the core of the workforce development system, with the Workforce Investment Act programs and services providing an important supplemental support function. From this perspective, it is essential that California's workforce development policy receive top priority, and the Workforce Investment Act programs and services be designed to meet California's policy goals, as well as federal requirements.

Issue: The enactment of a workforce development policy framework to meet California's current and future economic needs, which is aimed at assisting all Californians, is essential. The policy framework, and corresponding oversight body, is necessary to provide the structure and guidance for the implementation of all workforce development segments and programs, including the Workforce Investment Act.

Policy Recommendations:

- Support completion and adoption of the California Integrated State Workforce Development Plan, required by the Regional Workforce Preparation and Economic Development Act (RWPEDA), as California's workforce investment policy framework.
- Support establishment of a state policy body to provide oversight, evaluation, and recommendations aimed at achieving California's workforce development policy goals.

Implementation Actions and Options:

- Support legislative or administrative action that facilitates completion and adoption of the RWPEDA Integrated State Plan as California's Workforce Development Policy Framework.
- Establish a broad, high-level, State Workforce Development Board to provide collaboration, oversight, evaluation, and recommendations for achieving California's workforce development policy goals. This Board would include the constitutional officers and appointed agency heads of the K-12, California Community Colleges, CSU, UC, Health and Welfare Agency, and Trade and Commerce Agency. In addition, there would also be four key private sector representatives appointed to serve. The Workforce Development Board would be responsible for monitoring and advising on California's workforce development policy, reviewing and endorsing all workforce related plans to assure alignment with California's policy, assessing and reporting on the system and progress in achieving California's policy goals, and directing the awarding of a workforce investment fund. (The State Workforce Investment Board, required by the Workforce Investment Act, would be designated and focused on carrying out only the purposes defined in the Act. The Workforce Investment Board would also be required to align their strategic workforce investment plans and operations to meet California's policy goals.)
- Require that existing constitutional officers and governing bodies retain policy and operational authority for their segments, agencies, and funding, regardless of the structure and composition of the workforce development policy oversight and evaluation body.

Background:

California's workforce policy has been loosely defined through a large number of mostly separate categorical funding plans. No unifying policy or strategic plan exists. In fact, many so-called plans are simply "funding applications" with different timelines, requirements, performance measures, etc. (SJTCC report, 1998). The RWPEDA was enacted in recognition of the problems in California created by a lack of comprehensive state workforce development policy. The four partner agencies, (the California Department of Education, the California Community Colleges, the Health and Welfare Agency and the Trade and Commerce Agency) comprise a team that has expertise in all aspects of education, workforce preparation and economic development.

The Integrated State Workforce Development Plan required by the RWPEDA has been developed with input from all stakeholders in California's education workforce preparation and economic development arenas. The public review version of this plan was released in December 1998. The public will have four months for review. The final plan will then be written, reviewed by the Governor and the four state agency partners with their Boards, and finally presented to the Governor and the Legislature for formal consideration in summer 1999.

Adoption of the Integrated State Workforce Development Plan as the framework for California's workforce development policy will speed the process for implementation of a comprehensive and coherent policy. It will provide goals and recommendations to direct the activities of California's workforce development effort. It will concretely link education, workforce preparation, and economic development. Finally, adoption of this policy framework will also provide a voice to all of California's workforce development stakeholders who have participated in the process.

Currently there is no entity with responsibility for oversight, evaluation, and recommendations for achieving California's workforce development policy goals. Over the past four years, the SJTCC sought to provide a forum for creating workforce policy. Although they made significant contributions in helping to define and solve workforce development issues, the SJTCC has not been able to provide the broad policy oversight some of the members believed possible. Their vision was not achievable, as the SJTCC is structurally limited to policy related to JTPA employment and training programs, and has limited coordination with K-16 education and economic development efforts.

The newly proposed State Workforce Investment Board, although important in implementing the Workforce Investment Act, is also limited in scope and function under the Act. Simply completing the requirements specified in the act will be an enormous task for the new Board, leaving little time for oversight of the much

broader California issues. With the Workforce Investment Act funding representing such a small portion of the California's larger workforce preparation system, it is not practical or appropriate for the State Workforce Investment Board to be also responsible for California's entire workforce development policy.

Therefore, the creation of a collaborative policy oversight body comprised of the heads of the major agencies in collaboration with key private sector representatives, would provide much broader direction for California's workforce development policy. The RWPEDA legislation, the interagency partnership, and the statewide planning process, have demonstrated that a collaborative body can be established, and succeed in developing policy for California. The public review draft of the California Integrated State Workforce Development Plan proposes the creation of such a high-level policy oversight body. The proposed body will be able to concentrate on the broad policy issues necessary to ensure that California's workforce development system is designed to achieve a sustainable economy and higher quality of life for Californians. The Workforce Investment Board could then focus on the important but narrower purposes described in the Workforce Investment Act.

Topic: Local Workforce Investment Boards

The Governor and the State Workforce Investment Board will establish the criteria for use by chief elected officials to appoint members of the Local Workforce Investment Board. The composition parallels the state board, and includes "representatives of local education entities, local school boards ... Adult Education... selected from among individuals nominated by regional or local educational agencies". The Local Workforce Investment Board will be the major oversight body for Titles I & III of the Workforce Investment Act at the local level. The Governor and legislature have the discretion to broaden the membership beyond the federal requirements to ensure California's needs are met.

Issue: The structure and responsibilities of the local Workforce Investment Board to make local policy decisions and administer funds to meet local workforce needs will directly impact local education agencies. It is crucial that substantial education representation be included.

Policy Recommendations:

 Designate the elected County Superintendent of Schools or elected County Board of Education, as the Local Chief Elected Official and as a statutory member of the Local Workforce Investment Board. In those instances where the Local Area boundaries are contiguous with, or contained within, a single

- unified school district, the school district Board of Education would be designated as the Local Elected Official.
- Provide the elected County Superintendent, elected County Board of Education, or single unified school district Board of Education with the responsibility for appointing the education representatives to the Local Workforce Investment Board in collaboration with designated County Supervisors and Mayors.
- Expand educational representation on Local Workforce Investment Boards to include one local member each from high school, Adult Education, and Regional Occupational Centers/Programs. In addition, permit inclusion of a youth member on the Board.
- Support higher education representation from the California Community Colleges, California State Universities, and University of California.
- Strongly encourage the appointment of private sector members to the Board who are independent with no financial connection to the Workforce Investment Act funding, and represent the broad private sector and economic development conditions within the local area.
- Ensure that the responsibilities and structure of the Local Workforce Investment Board is designed to not only meet the minimum requirements of the Act, but to ensure systems are developed to ensure the success of California's broader workforce development policy goals.
- Encourage diversity and equity through the appointment of Board members who represent the demographic characteristics and needs of the local area's population.

Implementation Actions and Options:

- Support legislation to ensure the designation of the elected County
 Superintendent of Schools, the elected County Board of Education, or the
 single unified school district Board of Education as a statutory member of the
 Local Workforce Investment Board, and designated as a Local Chief Elected
 Official.
- Support legislation or administrative policy that makes the Local Workforce Investment Boards function as a collaborative oversight and administrative body, with a majority of independent private sector individuals representative of the diversity of California's population and changing economy.

• Encourage appointment of labor, apprenticeship, and economic development representatives to the Local Workforce Investment Board.

Background:

In the current JTPA system, local employment–training programs are administered by Private Industry Councils (PICs) in 52 service delivery areas. These PICs are not required to coordinate their efforts with local education and economic development entities, though some coordination is currently taking place. The structure, membership, and responsibilities of the PICs are limited in scope. The inclusion and importance given by the PICs to education's interests varies widely throughout California.

Mandating the inclusion of representatives from education, economic development, labor, and apprenticeship, and other key stakeholder groups on the Local Workforce Investment Board ensures the broad-based collaboration that will be required for achieving high wage, high skilled employment and economic sustainability. As at the state level, requiring a majority of independent private sector individuals will help to ensure strong input without undue economic self-interest.

The Workforce Investment Act calls for the inclusion of representatives appointed by the Chief Elected Official from local educational entities on the Local Workforce Investment Board. Chief elected officials are defined in federal and state law to be County Board of Supervisors or Mayors, and have not been interpreted to be County Superintendents. In most counties, the highest elected education official is the County Superintendent. Legislation to mandate the designation of the elected County Superintendent, or elected County Board of Education, ensures a local education voice that understands the education needs of the broader community. When a geographic area has a population concentration that allows it to be designated as a Local Area, and the boundary is contiguous with or falls within the a unified school district boundary, the school district Board of Education would serve as that voice. The County Superintendent, County Board of Education, or single unified school district Board of Education have the information and broad perspectives for identifying individuals who can best contribute to representing the interests of education, workforce preparation, and the local communities.

Topic: Youth Councils

The Workforce Investment Act establishes a Youth Council as a subgroup of the Local Workforce Investment Board. Its role is to provide planning and oversight for the youth funding and activities. Programs and services will be locally designed to

assist eligible disadvantaged youth aged 14-21 years. The Act provides that members of the Youth Council are appointed with the cooperation of the chief elected officials designated in each local area, and include members from the Local Workforce Investment Board with special interest or expertise in youth policy. No other specific criteria are given.

Issue: There is a lack of definition given to the structure and responsibilities of the youth. Councils. Also, there is no specific inclusion of educational representation on the councils.

Policy Recommendations:

- Require the appointment of three representative youth members to each Youth Council, including one representative each from Middle School, High School, and out of high school over age 18 years.
- Require one third of the Youth Council's adult members to be representatives
 from public education, one-third from local community youth organizations, and
 one-third from local private sector including representatives from the Local
 Workforce Investment Boards.
- Require the Youth Council to develop a strategic master plan for youth services within each local investment area.
- Encourage diversity and equity through the appointment of Youth Council members who represent the demographic characteristics and needs of the local area's population.

Implementation Actions and Options:

- Ensure appointments of the education representatives are made by the County Superintendent, the private sector members are appointed by the designated County Supervisors or Mayors, and the community youth organizations and youth appointments are mutually agreed upon by both the County Superintendent and other designated chief elected officials.
- Require that the strategic master plan for youth services describe how
 education and youth activities are coordinated and integrated to assist youth
 achieve educational and career objectives.

Background:

The Workforce Investment Act calls for establishment of a Youth Council with members from the Local Workforce Investment Board who have special interest or expertise in youth policy, and representatives of youth service agencies. The Council members are appointed by the local board in cooperation with the chief elected official for the local area. There is no requirement for youth members on the Council. Under the current JTPA system, PICs have administered youth programs, as well as programs for adults and dislocated workers.

These recommendations build on earlier recommendations to include the elected County School Superintendent, or elected County Board of Education, as the Chief Elected Official responsible for appointing educational representatives. Requiring the County Superintendent and other Chief Elected Officials to appoint representatives to the Youth Council ensures a diverse council, familiar with issues from the perspective of their stakeholder groups. Requiring that youth members are appointed also ensures a voice from the customers whom will be served.

A strategic master plan for youth activities will move the Council beyond the current common practice of developing plans that are actually funding applications, to a more thoughtful and comprehensive consideration of both the needs of the region's youth, and the means to address those needs.

Topic: Designation of Local Areas

The Governor, as specified, is required to designate Local Service Areas. The Workforce Investment Act provides for automatic approval of areas over 500,00 in population, as well as conditions for temporary designation for exiting Service Delivery Areas with populations exceeding 200,000. Among the factors that must be considered are school district boundaries, and postsecondary and vocational education areas.

Issue: Educational agencies are not explicitly included in the input or decision making process for determining the designation of Local Areas.

Policy Recommendations:

 Require local education agencies to be consulted in the determination of local areas. Require local areas to specifically address how the Local Area designation relates to improving the economy of the region and integrates with existing workforce development partnerships.

Implementation Actions and Options:

- Require Local Area designation processes to include written input from all education agencies with students aged 14 -21 years, located within the proposed Local Area boundary.
- Require Local Area designation criteria to include an analysis of the regional economy and a description of how the Local Area designation will integrate with existing collaborative workforce development efforts.

Background:

As with the JTPA, the Workforce Investment Act gives the Governor authority to designate the local service areas. Under the Workforce Investment Act, this designation will occur through consultation with the State Workforce Investment Board and after consultation with chief local elected officials and consideration of public comments. The Governor shall also take into consideration "geographic areas served by local educational agencies and intermediate educational agencies" Section 116(a)(1)(B)(I).

In the current JTPA structure, employment and training services are delivered through 52 Service Delivery Areas. The Service Delivery Areas are governed by PICs, organized and administered statewide through EDD. It is anticipated that the local PICs will advocate for the new Local Service Areas to be as closely aligned as possible with current Service Delivery Area boundaries.

Using the 1990 census data, fourteen current Service Delivery Areas serve a population of 500,000 or more, and will automatically qualify for approval. Twenty-three Service Delivery Areas serve populations between 200,000 and 499,999, and may qualify for a five-year designation as a Local Area. However, fifteen Service Delivery Areas under 200,000 population must be reorganized, or given special designation to operate.

As with the JTPA, the Workforce Investment Act gives the Governor authority to designate the local service areas. Under the Workforce Investment Act, this designation will occur through consultation with the State Workforce Investment Board and after consultation with chief local elected officials and consideration of public comments. The Governor shall also take into consideration "geographic areas served by local education agencies and intermediate educational agencies: Section 116(a)(1)(B)(I).

The Act, however, does not specify how to obtain input regarding geographic areas served by local education agencies. Requiring written input from all education agencies within proposed Local Area Boundaries will ensure that the appropriate educational experts will have the opportunity to provide information and recommendations.

The Act is also not specific regarding the integration of current regional collaborative organizations' efforts to improve regional economies. Numerous regional groups are working to improve education and workforce preparation through systemic approaches. The policy recommendation to require integration with existing collaborative efforts will ensure the identification and validation of current efforts, and speed the process for creating an effective and efficient local area.

Youth Services

Topic: Youth Activities Designation

The Workforce Investment Act consolidates the two former JTPA Youth programs; Title IIC year-round programs, and the Title IIB Summer Youth Employment and Training Programs. Combined funding for these programs amount to \$157.6 million (Allocated funding for 1998-99). Changes are made regarding the allocation of the funds, and wide discretion is granted to local Youth Councils regarding the provision of youth activities within the designated local area. Although, JTPA youth programs and services are often delivered through the public education systems, administration in California has occurred through the Employment Development Department and local private industry council service delivery areas.

Issue: The Governor has discretion in designating the administrative agency responsible for youth activities. Youth activities would function and perform better for California if they are aligned with the educational system, rather than with the employment and training system.

Policy Recommendations:

- Designate the California Department of Education as the lead agency for statewide administration and leadership of the fiscal, accountability, and programmatic aspects of the Youth Activities.
- Promote "prevention" and "first chance" employment related education and training strategies, rather than the current emphasis on remediation and giving kids "make-work" jobs.
- Promote public, private and non-profit interagency collaboration to provide for sequenced and integrated programs and service approaches for eligible youth.
- Require Youth Activities program providers to conduct education and training activities within real-life employment related contexts.

Implementation Actions and Options:

- Develop administration support and enabling legislation to designate the California Department of Education as the administrative agency for Youth Activities.
- Utilize the existing school district and county offices of education programmatic and fiscal infrastructure to effectively administer funding and provide technical assistance to eligible providers.
- Provide career guidance and counseling services to assist eligible youth in achieving academic and employment success.
- Promote service delivery approaches to coordinate with existing state and federal funded programs designed to assist youth in reaching employment competency including Carl D. Perkins Vocational and Applied Technology Education Act, Improving America's Schools Act, School to Career, Mentoring, Career Academies, Regional Occupational Centers/Programs, Transition Partnership Programs, Work Ability Programs, etc.
- Require that essential employability skills are included as a major component of youth activities.
- Establish a statewide recognition program to highlight education and employment achievement of youth and program excellence.
- Promote work-based, contextual, and applied learning approaches as fundamental preferred strategies which are achieved by participants learning in public and private workplaces, school-based enterprises or, simulated or laboratory settings.
- Promote and provide funding preference to collaborative partnerships among schools, families, workforce preparation providers, and community organizations who assist youth to achieve academic, social, and employment success in school and the workplace.

Background:

Thee California Department of Education has successfully demonstrated since the creation of JTPA in 1982, the ability and capacity to administer the Federal Training programs funding. Utilizing JTPA 8% funding, the Department annually allocates approximately \$19 million in state and federal funding to local areas to support School to Career partnerships, work-based learning and CalWORKs employment and training programs. Despite the strict eligibility and regulatory restrictions, the statewide 8% programs annually serve 17,000 eligible disadvantaged youth and adults.

With the structure of the Workforce Investment Act, the California Department of Education is in a strong position to assume leadership for administering the Youth Activities. The purposes of the Act, which complement the efforts of established education programs, include (language from Act):

- (1) to provide, to eligible youth seeking assistance in achieving academic and employment success, effective and comprehensive activities, which shall include a variety of options for improving educational and skill competencies and provide effective connections to employers;
- (2) to ensure on-going mentoring opportunities for eligible youth with adults committed to providing such opportunities;
- (3) to provide opportunities for training to eligible youth;
- (4) to provide supportive services for eligible youth;
- (5) to provide incentives for recognition and achievement to eligible youth;
- (6) to provide opportunities for eligible youth in activities related to leadership, development, decision making, citizenship, and community service.

These purposes align with the many educational activities offered through high schools, alternative schools, vocational education, Regional Occupational Centers/Programs, Service Learning programs, mentoring programs, School to Career partnerships, Adult Education, and other programs and agencies. Schools and school districts are the hubs of youth learning and training activities in every community in California. Schools are also the local connecting point with the many community-based programs, non-profit organizations, and businesses that are partners in educating, training, and employing youth.

In addition to the California Department of Education's ability to provide leadership in integrating these activities within the schools and community partners, the Department also is uniquely qualified and has the capacity to provide the statewide administrative duties specified; including allocation of funds, fiscal and program accountability, providing a statewide list of certified eligible providers, and providing technical assistance to local areas and Youth Councils.

For the reasons described, there is strong rationale for supporting the recommendations presented. School districts and county offices of education already offer many of the programs, and are the nearly perfect infrastructure for administering youth programs locally. This would streamline the current administrative JTPA structures, which has driven up the average funding for youth to unnecessarily high levels. Combining the Act's funding for youth with existing state funding for education would be a sensible approach for reducing administrative costs, and investing these funds in comprehensive approaches to help disadvantaged youth.

Topic: Vocational Rehabilitation

The Federal Rehabilitation Act (Section 101[(a)(2)(A)(ii)]) allows the designated State agency (i.e. the California Department of Rehabilitation) to share funding and administrative responsibility with another agency to provide services to individuals with disabilities through a general fund cash match or certified time. Under California's current system, the Department of Rehabilitation (DR) administers contracts directly with some Local Education Agencies (LEAs) for services to secondary students with disabilities. There is dissatisfaction among local education agencies with the current status of these "cooperative projects." Support is needed for WorkAbility II and the Transition Partnership Project program funds to be jointly administered by the Departments of Education and Rehabilitation. This joint authority would return California to a dual state governance system that was in place for WorkAbility II up until 1989.

Issue: The administration of Rehabilitation Act funds to provide effective services to secondary students with disabilities requires collaboration between the Department of Rehabilitation and the Department of Education. The current single agency designation has not facilitated the collaboration necessary to align services for the disabled within the educational system.

Policy Recommendation

 Support the designation for joint administration of contracted education funding for services for secondary students between the Departments of Education. This includes WorkAbility II and the Transition Partnership programs.

Implementation Actions and Options

 Establish through administrative action, an interagency agreement that, beginning in the year 2000 contract cycle, local education agency (LEA) cooperative programs will be co-administered by the California Departments of Rehabilitation and Education.

Background:

There is a long history of attempts to coordinate secondary education services between the California Departments of Education and Rehabilitation. Since 1982, LEAs have been participants in cooperative programs called Transition Partnership Projects (TPPs) or WorkAbility II (WAIIs). These are cash or certified time contracts between LEAs and DR. There are currently 97 TPPs. The TPP projects serve 13,140 high school students with disabilities, some in school and some out. There are 22 WorkAbility II programs. There are 1,500 students served (Adult Education and Regional Occupation Programs).

The amount of money allocated for the interagency state administration of these two programs is \$824,000. This money is generated by a \$206,000 general fund education match LEAs contribute \$11 million in cash or certified match totaling \$15 million. The LEA match allows DR to pull down all of its federal budget dollars in a 3:1 fashion. This equals \$40 million of DR's federal budget (historically the California legislature has not put up enough required match to allow DR to pull down their federal allocation so this state has turned to 'cooperatives' to get the full match). This match money is negotiated between schools and DR to provide services to DR clients and fund staff positions for both agencies. Each contract is negotiated individually between the school and the local DR agency, with State DR having the final decision.

Up until 1989, CDE contracted directly with DR in an umbrella contract for all participating LEAs. This arrangement was eliminated to simplify payment. DR entered into 'third party agreements' with schools; i.e. the LEA contracted with the local DR office and the state DR agency. While this arguably simplified payment, it has resulted in fragmented training, poor interagency collaboration, jeopardized funding for schools, and often ineffectual services to students with disabilities.

Adult Education and Family Literacy

Topic: Family Literacy

Family literacy activities are now allowable activities contained in the Workforce Investment Act Title II - Adult Education and Family Literacy Act legislation. This is new usage of federal funds for adult education activities. There are four components that must be included in local programs: 1) interactive literacy activities between parents and their children, 2) training for parents regarding how to be the primary teacher for their children and full partners in the education of their children; 3) parent literacy training that leads to economic self-sufficiency; and 4) age-appropriate education to prepare children for success in school and life experiences.

Issue: How and to what degree, should the new Family Literacy aspects of the Workforce Investment Act be included and supported within the Adult Education and Family Literacy State Plan?

Recommendations:

- Ensure Family Literacy is a priority component in the State Adult Education Plan and state workforce development policy.
- Promote family literacy through collaborative efforts that integrate services and strategies with preschool and K-12 programs, to create a seamless delivery system of educational services.

Implementation Options:

- Include a set-aside of funds for family literacy programs in the State Plan for Adult Education and Family Literacy. Use funds in collaboration with other programs and resources to provide services to children.
- Require applicant agencies to demonstrate collaborative effort with other federal funding sources such as Head Start and Even Start programs to provide comprehensive family literacy programs.

Background:

Family literacy programs that involve interactive literacy activities between parents and their children are expensive to operate. Current state law for adult education

does not allow for services to children as mandated in the family literacy services design as outlined in Title II. Where these types of services exist, they are usually funded through collaborative efforts between the adult school that pays for the parent activities and Even Start funding that covers the cost of the child interventions. Other models are funded through large grants from Foundations such as Toyota. Because of state funding restrictions, Family Literacy programs will most probably disappear if the special funding is no longer available.

Four years ago the California Department of Education utilized National Literacy Act money to fund small grants to adult schools, community based organizations, community colleges, and library literacy programs interested in infusing family literacy concepts into the regular adult basic education and/or English as a Second Language (ESL) program. Recipient agencies agreed to participate in training and purchase appropriate children's books for use in teaching adults how to develop literacy skills among pre-school and school age children. This was a successful program and many programs showed interest in expanding the program.

State funds are available to adult schools and community colleges to provide parent education. Again, as mentioned earlier, funds are available for interventions with parents and do not allow for participation with children. The development of the Family Literacy collaboration can be a model for future discussions and funding implications for preschool adult programs.

Topic: Funding Set-Asides

Currently, set-asides are provided for ESL-Citizenship and institutionalized adults. ESL-Citizenship set-asides are mandated through the state budget process, in response to requests from community based organizations (CBOs). The corrections agencies and their professional organizations support the set-asides for institutionalized adults.

Issue: The determination must be made whether it is better to maintain funding set-asides, or create a different and more equitable funding mechanism to achieve the desired literacy outcomes for adults.

Policy Recommendations:

 Ensure a competitive process for awarding adult education and family literacy funding, to foster higher quality service delivery and compliance with accountability standards.

- Eliminate set-asides that provide funding for specific purposes, but allow state and local eligible agencies the capacity to design literacy services approaches based on demonstrated needs and priorities. Continue to allow ESL-Citizenship as an allowable delivery approach.
- Require that funding rates be determined by the skill level of the students served.
 Adults with basic literacy skill needs are the hardest to serve and need the most intervention.
- Declare that differential funding rates are inappropriate when determined by type of agency or program area.

Implementation Actions and Options:

- Determine priorities for funding based on literacy levels of the students, not by type of agency, so that those adults demonstrating the lowest literacy skills are served first and at a higher funding rate to meet the cost of the services.
- Require eligible agencies, certified as qualified to provide services, to apply separately and receive the same funding rate.
- Hold all eligible agencies accountable to the same assessment and accountability standards and regulations.

Background:

Federal law requires equal access to all established literacy providers, which has provided for the participation of adult schools, community colleges and library literacy programs. However, since 1994, a funding set-aside for ESL-Citizenship programs has been mandated in state law, to primarily to address the need for base funding for community based organization (CBO) programs. Federal law also requires that the funding supplement existing literacy programs. The amount of the set-aside has been directly proportional to increases in federal funding. In 1994, the amount earmarked for ESL-Citizenship was \$7.9 million; in 1998, there is a \$12.25 million set-aside. The total amount of funds utilized for ESL-Citizenship is approximately two-thirds of the state allocation for local assistance grants and is equivalent to \$2.50 per hour cost per student compared to \$.10 for ESL and \$.13 for adult basic education (ABE) per student costs. This formula leaves the ESL and ABE systems grossly under-funded. California must continue to find solutions to providing services to the approximately 11 million adults who need ESL and ABE services.

Providers are experiencing sharp decrease in the number of adults requesting ESL-Citizenship services in the past year, and a substantial increase in the number of adults requesting ESL courses. Therefore, it appears unnecessary to establish a large set-aside for ESL-citizenship programs. Instead, providing a mechanism to fund ESL courses, of which citizenship can be a component, will give providers the flexibility to meet local needs and conditions.

In the previous federal legislation that framed adult literacy services funding through the National Literacy Act, a 10% mandatory set-aside was provided for corrections and state hospital programs. To fund these programs, the California Department of Education utilized contracts with the Department of Developmental Services, California Youth Authority, and Department of Corrections. The state agencies were responsible for disseminating the funds throughout their system, as needed. All other literacy providers such as adult schools, community colleges, CBOs, and library literacy programs were required to apply separately for funding and held to strict requirements for record keeping and accountability. The state agencies have proven that they are not able to utilize the full 10% set-aside that has been allowed and getting accurate data from individual provider sites within the systems has been problematic. Under the new Act, states are allowed, but not required, to provide a set-aside for these agencies.

Topic: Workplace Literacy

Federal funds may be used for workplace literacy activities. As part of the larger Workforce Investment Act, adult literacy providers have an opportunity to assist adults in their efforts to get jobs, be retained in jobs, and develop skills to be promoted in the workplace.

Issue: Workplace literacy is an important priority for California. It will ensure that adults are prepared with the skills necessary to achieve employment and self-sufficiency.

Policy Recommendations

- Establish workplace literacy as a priority strategy in designing literacy programs to assist adults in reaching their employment goals.
- Promote workplace literacy through collaborative efforts that integrate service strategies with CalWORKs, Workforce Investment Act adult services, and other

state and local efforts targeted at helping individuals move from unemployment and poverty, to employment and self-sufficiency.

Implementation Actions and Options

- Make workplace literacy programs that address the lowest levels of literacy skills a high priority for funding.
- Allow literacy providers to assist adults with demonstrated literacy problems with services in the workplace that help maintain employment or enable career advancement.

Background:

The definition of a workplace literacy program is a program that includes the following elements:

- Curriculum may include several discipline areas, such as vocational education, basic skills training, and high school equivalency instruction.
- The program is not school site based. Although some part of the program may be offered at the school site, the majority of instruction is located either partially or totally at an employer's site or at a shared or neutral employment related facility, such as a One-Stop Employment Center or a union or workers' hall.
- Instruction is focused on learners' specific employment needs.

Workplace literacy programs require the cooperation and support of the employer for success. When public dollars are utilized, classes must be available to the public. Providing workplace literacy programs will require entrepreneurial and creative thinking for the adult literacy providers.

Workplace literacy programs are increasingly more important as the welfare reform 'Work First' initiatives are put into place. In California's CalWORKs program we will see an increasing amount of adults being put into jobs before they have the opportunity to fully develop the literacy skills needed to be successful in that job and to be retained there. It is imperative that literacy providers find opportunities to follow these adults to the workplace and provide access to services.

Those adults receiving financial aid will have greater success on the job if they receive skill training and educational support that will enable them to keep their job and advance in the job market. Funding through the federal funds will provide greater emphasis on the need for workplace literacy among literacy providers and more programs will be developed in response to that need.

One-Stop Career Centers and Adult Employment Training Services

Topic: Service Access

The Workforce Investment Act describes a hierarchy of services delivered through One-Stop Career Centers. These adult services are described in three levels; Core Services, Intensive Services, and Training Services. Core services are to be available to all adults, while Intensive Services and Training are available only to eligible adults. While the Act promotes universal access for adults seeking information and assistance, access to federally subsidized intensive and training services are restricted to only eligible adults using a work-first approach.

Issue: Although the Workforce Investment Act intends to provide universal access, most services are restricted to disadvantaged adults. If universal access for all Californians is to be achieved, the state must engage the education system in providing a continuum of accessible services.

Policy Recommendations:

- Establish a statewide policy that all Californians have universal access to the services necessary to secure, maintain, or advance in their employment and careers.
- Provide access to the Intensive Services, and/or Training Services as described in the Act through the existing public educational agencies, at current funding levels, for adults who are not eligible for Workforce Investment Act services.
- Develop broad public awareness and utilization of universal access to One-Stop Career Center services.

Implementation Actions and Options:

- Define universal access as a method to ensure <u>all</u> adults have access to information and services.
- Add "Referral to Training Providers" and "Career Guidance Information" as additional Core Services available at One-stop Career Centers for all Californians.

- Promote Adult Education, and Regional Occupational Centers/Programs as models to demonstrate how universal access can be collaboratively expanded beyond the core services offered through One-Stop Career Centers.
- Require all youth engaged in funded Workforce Investment Act Youth Activities to engage in the use of the One-Stop Career Center.
- Promote the training on the use of the One-Stop Career Center services for all high school students.
- Utilize Workforce Investment Act Resources at the state and local level to market One-Stop Career Center Services and universal access to the general public.

Background:

Adult Education, Regional Occupation Centers and Programs, and high schools should be included as mandatory partners in every One-Stop Career Center. Both physical locations and electronic access should be available and promoted for use by everyone, youth and adult, job seekers and those seeking upward mobility in a career. California's workforce development system should be widely advertised and promoted as accessible and open to all Californians.

Access to workforce development services in California is often viewed by the public as something for disadvantaged or the poor. This viewpoint is certainly promoted through the JTPA and other federal programs that require individuals to prove they are below certain income levels to qualify for service. The process of determining eligibility is often arduous, time consuming and expensive, requiring supporting documentation for income, education level, barriers to employment, family makeup, etc. Limited federal funding requires that the most needy are the first priority for receiving services.

The Workforce Investment Act provides for a hierarchy of services:

Core Services:

Eligibility determination
Outreach, intake, and orientation
Job search and placement
Labor market information
Performance and cost information on training providers
Information on supportive services
Filing Unemployment Insurance claims

Intensive Services:

Comprehensive assessment
Individual employment plans
Individual and group counseling
Career planning
Case Management
Short-term pre-vocational services

Training Services

Individual training accounts for adult training (vouchers)
Customized and on-the-job training provided through contracts
Linking training to occupations in demand
Referral to listed eligible providers

The Act only allows universal access to the first tier of Core Services, and allows access to the Intensive and Training Services to eligible individuals only. Although all adults can access the Core Services that simply provide information, this is not congruent with education's obligation to serve all residents. Youth are not specifically considered in the Act as included in universal access or as part of the One-Stop Career Center system.

If universal access is a goal to be achieved for all residents, as envisioned in the Workforce Investment Act, California will need to engage the education system to provide the mechanism and capacity to achieve that goal. The Adult Education, Regional Occupation Centers and Programs, and other postsecondary institutions provide ready, quick access to the public seeking education and training. They currently have the infrastructure, funding, and capability to provide universal access. In those areas where funding is not available, use of other available public or private funding, or fee for service approaches can be employed.

Many of the One-Stop Career Centers in existence already use the educational systems to provide non-eligible adults with access to the full range of services. Many funded One-Stop Career Centers include the education representatives as partners, but some do not. Currently, not all areas are even covered by One-Stops. It is also not clear that existing One-Stops utilize the education partners capacity to provide the intensive and training service to achieve true universal access.

Topic: One-Stop Career Centers

A fundamental principle of the Workforce Investment Act is universal access. The Workforce Investment Act requires that a One-Stop Career Center System be established to deliver services in each local area, and to help facilitate universal access. One-Stop Career Centers are envisioned as a place where customers seeking information about employment, whether employers or job seekers, would be provided with information on jobs, education and training opportunities, career development, supportive social services, and other. An electronic infrastructure is required to support the One Stop Career Center System.

Issue: Education's role in One-Stop Career Centers, although briefly described in the Act, must be clearly articulated if One-Stops are to be successful in facilitating collaboration and providing universal access.

Policy Recommendations:

- Ensure all Adult Education, and Regional Occupational Centers/Programs are designated as mandatory One-Stop partners.
- Adopt certification criteria and procedures that allow education agencies to serve as eligible One-stop Career Center agencies.
- Support substantial investment of Workforce Investment Act funding to ensure an electronic infrastructure is universally accessible and available to every Californian.
- Ensure high school representation on all One-Stop operators groups.

Implementation Actions and Options:

- Coordinate staffing, services, and programs with other One-Stop partners, which promote integration of education and employment and training services.
- Support administrative actions or legislation to specifically designate Adult Education and Regional Occupational Centers and require approval and periodic re-certification of One-Stops through an independent peer review process to help ensure high quality services and continuous improvement.

Background:

One-Stop Career Centers will become the primary delivery vehicle for federally funded services to disadvantaged adults and dislocated workers, and for

distributing unemployment insurance. A collaborative operators group must govern these centers, with a single agency specified for administrative purposes. The mandatory as One-Stop Career Center operators are specified in the workforce Investment Act to serve. Criteria must be developed by the State Workforce Investment Board to certify One-Stops, and the designated administrative agencies. One-stop Career Centers must have a physical location, and are expected to offer universal access to information and services through an electronic infrastructure.

In California, since vocational training is provided through Adult Education and Regional Occupational Centers/Programs, as well as colleges and community based organizations, public education agencies are already involved to varying degrees in the One Stop Career Center System. Some One-Stop Career Centers are physically located in Adult School and Regional Occupational Centers/Programs facilities. Despite this fact, education has not been included as mandatory partners in the development of federally funded One-Stops.

California received a \$24 million, three-year grant from the Department of Labor to develop a One Stop Career Center system for the state. The funding solicitation for the third and final year (FY 99-2000) will be released during December 1998. Grants will be available for: 1) Transitional planning to bring systems into compliance with the Workforce Investment Act of 1998--up to \$100,000 each; 2) Regional Partnership planning grants--up to \$100,000 each; and 3) Implementation grants--up to \$750,000 each-- for those who previously received planning grants.

The requirements for this funding stipulate mandatory partners, a specified geographical service delivery area, and description of universal access to core services. The One Stop Career Center System supports the integration of education, occupational training, and employment programs and services. Services are required to be delivered in a manner that is integrated, comprehensive, customer-focused, and performance-based.

It is essential that as One-Stop Career Centers are developed, education agencies are included as mandatory partners at the local level. Adult Schools, Regional Occupational Centers/Programs, and high school representatives constitute the key educational stakeholders necessary for the successful operation of a One-Stop Career Center system designed to promote universal access. If the One-Stop system is to achieve long-term success, it must be promoted to high school students as a valuable and accessible resource in achieving their immediate and longer-range career goals.

Planning and Administration

Topic: State Plan

The Act requires a state plan for funding and services under each specified Title within the Act. At the state and local level five-year strategic plans for workforce investment are required for Titles I, and III, relating to employment and services. Generally, July 2000 is the implementation date for the Act plans, with transition plans required in 1999 before the submission of the new plan.

Issue: State and local plans required in the Workforce Investment Act must include participation of education representatives, address the critical interests of education, and be aligned with the state's workforce policies.

Policy Recommendations:

- Ensure the educational systems roles and responsibilities are clearly addressed in the required state and local strategic workforce investment plans.
- Ensure that the Adult Education and Family Literacy Act, and Carl D. Perkins
 Act are integrated or coordinated with other appropriate educational funding
 streams and programs.
- Require that all of the strategic plans specified in the Workforce Investment Act align with the goals described California Integrated Workforce Development Plan, following its adoption by October 1999.

Implementation Actions and Options:

 Adopt procedures and criteria through administrative action or enabling legislation that defines the planning process and outcomes, which include the education systems roles and responsibilities.

Background:

Among the plans required within the Act, the Adult Education and Family Literacy is specifically designated to the California Department of Education. This planning process has historically been developed with broad public input and collaboration with the various stakeholder groups in California. The Act expands participation and makes specific changes to the uses of funding. The planning process currently underway, engages the State Literacy Collaborative Council to ensure

collaboration and facilitate broad public input. Although some special interests would like to divert funding or capture larger portions of the funding, the planning process has worked to assure the funding is integrated with the larger literacy and adult education systems to complement the many efforts already underway to alleviate illiteracy in California.

Another related funding stream and plan mentioned in the Workforce Investment Act is the Carl D. Perkins Vocational Technical Education Act. The Perkins funding was also reauthorized in August 1998. The California Department of Education is the sole state agency responsible for administration of the Perkins funding. Through the Carl D. Perkins State Plan and an interagency agreement, the California Department of Education shares the funding with the California Community Colleges, with approximately 50% going to each segment. Since both of the Acts involve aspects of the workforce development, the Congress inserted language into both bills to permit these programs to coordinate plans.

The new state Perkins plan will require extensive public input, and agreements among the education segments, before the plan can be submitted by April 2000. A transition plan is required by April 1999, while a new state plan is developed. The new state plan can be submitted as; 1) a stand-alone 5 year plan; 2) as part of a Unified State Plan as provided in Section 501of the Workforce Investment Act, or; 3) as part of a Consolidated Plan as provided for under section 14302 of the Elementary and Secondary Education Act, and reauthorized under Title I of the Improving America's Schools Act.

The first priority for the Adult Education and Perkins Act plans is to achieve higher student outcomes. The integration of state and federal funding resources within the educational system has a higher likelihood of improving student and school performance. This does not diminish the importance of collaboration, but recognizes the need to maximize educational resources and facilitate accountability. Therefore, the Consolidated Plan, designed to integrate federal resources at the local level, is the logical choice for California.

Collaboration must remain an important element of the Carl D. Perkins Act plan, the Adult Education and Family Literacy Act plan, and the other required plans within the Workforce Investment Act Titles. Communities cannot afford to allow these funding resources and plans to remain separate. Collaboration provides a means for ensuring that all resources are used locally to achieve common goals. Although education representation has been included in the past within some state and local employment-training plans, those plans have often met the specific needs of a constituency, and have not included the important interests of education. With education becoming the top policy priority, it is essential that education becomes a primary part of all state and local plans. Likewise, the Adult Education and Perkins plans must ensure broad participation of all stakeholders.

The recommendations and implementation options in this section seek to move California beyond the requirements of the Workforce Investment Act. The California Integrated Workforce Development Plan seeks to move California to a shared vision based on economic development, and a more comprehensive plan beyond those plans funded by the Act. It is conceived as the unifying framework for workforce development in California. California's workforce development policy, contained in the proposed California Integrated Workforce Development Plan, will serve as the basis for the alignment state and local plans required by the Act, to achieve California's policy goals. Therefore, the California Integrated Workforce Development Plan far exceeds the purposes of, and need for, the unified plan proposed in the Workforce Investment Act.

Topic: Coordination and Linkages

Under the current JTPA legislation, the 8% funding set aside was provided to the Superintendent of Public Instruction to provide coordination and linkages among education and training. Under the Workforce Investment Act, 15% of the state funding may be used for statewide activities. The need for coordination and linkages at the state and local levels will be an increasingly important component for achieving success in Workforce Investment Act activities and achieving the State's workforce development goals.

Issue: There will a continuing and increasing need for the California Department of Education to provide leadership in facilitating the coordination and linkage functions.

Policy Recommendations:

 Support continued funding of the Coordination and Linkages function to facilitate systemic collaboration, integrated services, and accountability.

Implementation Actions and Options:

 Seek state legislation to designate funding for education to enable coordination and linkages at the state and local levels with the employment and training system.

- Define in the state strategic workforce investment plan the coordination and linkages necessary to foster systemic collaboration, integrated services, and accountability.
- Include technical assistance to local agencies and collaborative partnerships as a critical coordination and linkage function. Technical assistance includes providing an array of supportive services to local agencies regarding administrative, fiscal and programmatic accountability, staff development, and other important functions.

Background:

The JTPA State Education Coordination and Grants (SECG) 8% funds are used to facilitate coordination and promote linkages between administrative entities in Service Delivery Areas and local education agencies. Funds have been allocated by the California Department of Education, at the state level, as follows:

- Twenty percent for state administration and statewide projects.
- Thirty percent for paid work experience and paid internships for youth. This
 funding is coordinated with the student's instructional program, career
 exploration, and emerging career fields.
- Fifty percent to support education in conjunction with occupational skill training for, in priority order: 1) persons participating in welfare activities in CalWORKs, and 2) persons eligible for JTPA funds but not receiving assistance under CalWORKs. Participants meeting eligibility requirements for 8% funds require basic literacy and/or computational skills and need training in an occupation in order to work.

These activities are important to local schools, service delivery areas, and the CalWORKs programs. These programs are eliminated under the Workforce Investment Act, and are left to the discretion of the state. The Workforce Investment Act continues funding for youth and adults, but does not specify that funds be designated for the coordination and linkage purposes. Funding is available in the Act under the 15% set aside for state activities that could be used for this purpose. In legislation, and the State Strategic Workforce Investment Plan, specific local services and activities would need to be defined, as well as the Department's role in providing technical assistance to facilitate systemic collaboration, integrated services, and to assure accountability.

Topic: Certification of Providers

The Workforce Investment Act, Title I, requires all local service providers for youth and adult programs and services to be certified. Automatic eligibility is granted to postsecondary and apprenticeship providers for one year. Other providers of adult services must meet the performance and criteria specified by the Governor and state plan. Certification of youth providers is subject to criteria set in the state plan. The governor designates the agency responsible for state administration and enforcement related to determining and maintaining the certification of eligible providers.

Issue: Certification criteria processes must address the particular needs of education agencies, and facilitate, rather than restrict, education providers' inclusion in providing youth and adult services.

Policy Recommendations:

- Designate the California Department of Education as the state agency for administering and maintaining the certification of eligible youth providers.
- Define Adult Education and Regional Occupational Centers/Programs as eligible postsecondary or apprenticeship institutions to ensure initial eligibility.
- Ensure the eligibility criteria developed in the state plan are inclusive of the needs and conditions of local education agencies and programs.
- Require state eligibility criteria developed in Title I, to be consistent with Title II, Adult Education and Family Literacy, and Title III, Wagner Peyser.

Implementation Actions and Options:

- Seek legislation to designate the California Department of Education as the certifying agency for Youth providers.
- Seek legislation that defines and designates Adult Education and Regional Occupational Centers/Programs as eligible postsecondary or apprenticeship institutions

Background:

JTPA does not require the certification of providers for adults or youth. Currently, local education agencies receive funding for adults from local Service Delivery

Areas under a competitive procurement process to provide education in conjunction with occupational skill training. Individuals are referred to funded programs.

The certification issue is an important concept within the Workforce Investment Act, as Individual Training Accounts (vouchers) will be provided for eligible adults to pay eligible providers for training. Youth providers are also required to be certified under state determined criteria. Various local education agencies and community based organizations may, or may not, qualify for certification under the new Act. Clear statewide criteria for determining eligible providers, and consistency in the process will help to ensure higher quality training programs are available throughout California.

Under the provisions of the Workforce Investment Act, postsecondary education institutions and entities carrying out apprenticeship programs are initially eligible to receive funds to provide adult services. Other eligible providers may also be determined as eligible through an interim procedure determined by the Governor with public input. Subsequent to that initial period, the Governor will establish permanent procedures for determining eligibility that meet specified criteria, based on acceptable levels of performance by the provider agency.

The initial and subsequent provider certification procedures are especially critical to Adult Education and Regional Occupational Centers/Programs. These programs are considered postsecondary for Vocational Education purposes under the Carl D. Perkins Act, and also run the majority of apprenticeship training instruction in California. Although this seems to qualify them for initial eligibility, certification will only be ensured statewide through specific legislation or administrative action. Such action will help these education agencies make the transition from JTPA to Workforce Investment Act activities with a minimum of disruption.

Assuming the Governor designates the California Department of Education as the administrative agency responsible for Youth Activities, then it is logical that the responsibility for conducting the certification processes, maintaining the list of eligible providers, and enforcing compliance regarding certified providers also be designated to the Department.

Performance Accountability

Topic: Performance Accountability

The Workforce Investment Act establishes remarkably consistent performance accountability measures across the various Titles. Performance Measures include core performance indicators, customer satisfaction indicators, and other state indicators. Negotiations between the state and federal government, and between the state and Local Areas, will determine the additional indicators and levels of performance. Performance will be considered in certifying eligible providers, providing consumers with information, and providing incentives or sanctions.

Issue: Performance accountability systems developed under the Act must complement existing standards, assessment, and accountability development efforts, and be adequately funded.

Policy Recommendations:

- Ensure performance measures and indicators required within each Title of the Act relative to education, are developed and maintained by the appropriate education segments.
- Ensure all performance measures and indicators are developed to complement state standards, assessment, and accountability efforts
- Designate the California Department of Education as the agency responsible for administration and state level performance accountability reporting on Youth.
- Ensure data collection processes maintain confidentiality of participant records to ensure individual privacy as provided in federal and state law.
- Ensure that performance levels required by the state reflect regional demographic, economic, and service delivery capacity conditions.
- Ensure consistency and compatibility of performance measures and indicators across all Titles within the Act.
- Include additional measures as determined by California's Integrated State Workforce Development Plan.

Implementation Actions and Options:

- Support administrative or legislative designation of the California Department of Education as the lead agency for measuring youth activities performance.
- Establish through legislation and regulations the accountability measures and processes for collecting, aggregation, reporting of data, as well as application of sanctions or incentives.
- Develop a comprehensive performance accountability system for youth activities, based on standards and assessment measures to verify the attainment of basic skills, work readiness, and occupational skills.

Background:

There is general consensus that workforce preparation programs generally lack strong accountability measures. Agencies and institutions traditionally receive Federal funds regardless of successful performance. Too often, programs have been rewarded and funded merely for documenting services provided rather than demonstrating desired outcomes.

The Workforce Investment Act will require the provision of specified services and programs, but will also assess performance by the attainment of specific outcomes (core indicators). For example, the success of youth activities will be determined by specified outcomes resulting from participation in those activities. Eligible youth, ages 14 through 18, will be required to demonstrate the attainment of basic skills, work readiness, or occupational skills; attainment of secondary school diplomas and recognized equivalents; and placement in postsecondary education, advanced training, military service, employment, or apprenticeships. Likewise, eligible older participants will show that they have entered employment, stayed employed, received earnings, and attained recognized educational achievement credentials or diplomas.

The Department of Education is currently engaged in a serious effort to improve the performance accountability of the public school system in California. This effort includes the goals of developing standards, assessment, and accountability systems to improve student learning; developing student learning support systems and programs to promote student success; and building capacity for decision-making at the local level. These goals are in complete accord with the accountability provisions of the Workforce Investment Act. In fact, The CDE currently provides services and programs similar to those prescribed in the Act to all students – not just "eligible" ones – and expects similar student outcomes and performance indicators.

Workforce Investment Act, Chapter 6, Section 136 provides for the establishment of a comprehensive performance accountability system. The system includes such elements as state performance measures, local performance measures, reports, evaluation of state programs, fiscal and management accountability, sanctions for state failure to meet state performance measures, sanctions for local area failure to meet local performance measures, and other measures and terminology. State and local performance measures will focus on core indicators of performance, additional indicators of performance, customer satisfaction indicators, and levels of performance. The state will submit an annual report to the Secretary of Labor on its progress in achieving state performance measures. The state will conduct ongoing evaluation studies of activities carried out in the local areas. The Governor will establish a fiscal management system. The Secretary of Labor will provide technical assistance to the state if it fails to meet required levels of performance during any one-year, and will reduce funding if the state's poor performance continues. In turn, the Governor will provide technical assistance to local areas to assist them in improving their performance.

As the primary state agency responsible for public education in kindergarten through adult school, the California Department of Education is the logical agency to be responsible for the administration and direction of state-level performance accountability for Workforce Investment Act programs serving school-age participants, including youth 14 to 18, and adult education students.

Topic: Accountability Systems

With the performance measures and core indicators presented in the Workforce Investment Act, the educational programs involved will be required to adapt their systems to the new requirements. Senate Bill 645 (Chapter 771 of the Statutes of 1995) established the development of the Performance-Based Accountability System to measure employment outcomes following participation in employment training programs. SB 645 also requires the publishing of a consumer Report Card. Currently the Performance-Based Accountability system is not designed, nor has the capacity to accomplish the accountability purposes contained in the Act. This effort has made progress in gaining understandings of the complex and disparate data systems, and the limitations of the concept. The addition of new requirements under the Workforce Investment Act, therefore, will open a discussion and decision making on statewide accountability and performance, and the appropriate methods for achieving federal and state purposes.

Issue: Currently there is no statewide system with the capacity for adequately accomplishing the federal performance accountability requirements, and to ensure compliance with federal privacy laws required for education.

Policy Recommendations:

- Adopt over-all statewide performance indicators and measures to accomplish the requirements of the Workforce Investment Act, and to meet California's workforce development policy goals.
- Require each state education and employment—training agency to administer and maintain security over the data and information gathered from their local agencies and programs.
- Endorse double-blind secure data matching and sampling techniques to create aggregate reports by an independent branch of state government, or interagency partnership to assess performance.
- Provide adequate resources to develop, modify, and integrate data and accountability systems within and among state and local agencies.

Implementation Actions and Options:

- Integrate the collection of new measures with the California Schools Information System (CSIS) currently under development.
- Require all reports to be issued with relevant program and contextual information to give a clear picture of local conditions and levels of performance.
- Designate a significant investment of state discretionary funds under Workforce Investment Act to establish and maintain the intra-agency and inter-agency data and accountability systems.

Background:

Currently, many performance-based accountability systems now in place under the Job Training Partnership Act (JTPA), do not meet the more stringent requirements of Workforce Investment Act. For example:

 Under JTPA, there are no requirements for reporting on how successful the training providers are in providing information to clients; under Workforce Investment Act, performance-based information must be provided to help clients meet their needs, in terms of expected outcomes.

- Under JTPA, the state determined adjusted levels of performance; under the Act, the Secretary of Labor and the Governor must reach agreement on levels of performance for each of the core indicators and the customer satisfaction indicator, as adjusted.
- Under JTPA, national incentive grants are not authorized; under the Workforce Investment Act, the Secretary of Labor will award incentive grants to each state that exceeds the state performance levels.

The Workforce Investment Act holds states, local areas, and trainers accountable for results. The Act identifies core indicators of performance, including job placement rates, earnings, retention in employment, skills gained, and credentials earned. The Act includes many provisions related to performance accountability, including the following:

- The Secretary of Labor must negotiate with the state regarding the expected levels of performance, as indicated by the required core indicators, for adult, youth, and dislocated workers. The state, in turn, must negotiate expected levels of performance with each local area.
- Training providers must meet state and locally-determined performance levels in order to remain eligible to receive Individual Training Account funds;
- Federal and state technical assistance, sanctions, and incentive funds are tied to actual performance at the respective state and local levels;
- The state must participate with the Secretary in the development, maintenance, and continuous improvement of a national employment statistics system (labor market information), as funded under the Wagner-Peyser Act.

Authorized national-level activities also focus on performance accountability measures. For example, Section 172, on Evaluations, states that "for the purpose of improving the management and effectiveness of programs and activities carried out under this title, the Secretary shall provide for the continuing evaluation of the programs and activities." This evaluation will address the following factors:

- The general effectiveness of programs and activities in relation to their costs;
- The effectiveness of the performance measures relating to programs and activities:
- The effectiveness of the structure and mechanisms for delivery of services;
- The impact of programs and activities on the community and participants involved:
- The extent to which programs and activities meet the needs of various demographic groups;
- Such other factors as may be appropriate.

A comprehensive performance accountability system is necessary to assess the effectiveness of the Workforce Investment Act activities provided, to document the improvement of activities, and to optimize the return on the federal investment. A uniform system will meet these requirements at the state and local levels. Collaboration between the California Department of Education and the Employment Development Department will enhance the development of a comprehensive system. Appropriate data matching and sampling techniques will ensure the reliability, validity, and confidentiality of the data obtained. Integration of data collection with existing systems will improve the cost-effectiveness of the new system. The new system must be based on the standards, assessment, and accountability measures already in existence, with a special emphasis on statewide program evaluation.

An effective statewide accountability system will help to "promote, establish, implement, and utilize methods for continuously improving the activities in order to achieve high-level performance within, and high-level outcomes from, the statewide workforce system" [Section 136(e)(1)]. This system will define and improve responsibility for achieving desired outcomes at all levels of the system, with each level having unique and integral roles and responsibilities. It is essential that these critical data systems and related infrastructure are adequately funded and maintained. Improved performance accountability will result in high quality, effective programs and services to customers, and will empower all workers — young and old — with the skills and knowledge to build better lives for themselves and their families as we enter the new century.